

FISCAL NOTE

TO: Chief Clerk of the Senate
Chief Clerk of the House

FROM: James A. Davenport, Executive Director

DATE: February 8, 1996

SUBJECT: **SB 2382 - HB 2355**

This bill, if enacted, provides that the Comptroller of the Treasury, in consultation with the Tennessee Advisory Commission on Intergovernmental Relations, will promulgate rules and monitor activities related to privatization contracts. The bill also provides that any contractor in violation of such rules shall be subject to a penalty of fifteen dollars a day for each day the entity is in violation, to be paid from nongovernmental funds. The bill also makes it a Class C misdemeanor to knowingly provide false information pursuant to the provisions of the bill.

The fiscal impact from enactment of this bill is estimated to be an increase in state expenditures for the activities required of the Comptroller's Office. Such increase is estimated to be not significant since it can be absorbed within the agency's budget.

The fiscal impact from enactment of this bill is also estimated to be an increase in state revenues to the extent that penalties are assessed and recovered. Such increase cannot be determined but can be estimated to be not significant.

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The fiscal impact from enactment of this bill will also depend upon the number of persons convicted of this offense and the resultant increased cost to local governments to confine such persons versus the increased revenues to local governments from fines levied and collected under the provisions of this bill. Therefore, the fiscal impact cannot be readily determined, but is estimated to be not significant.

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James A. Davenport". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

James A. Davenport, Executive Director